DOCUMENT RESUME

ED 367 405 JC 940 169

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TITLE A Comprehensive Approach to Economic Development.
PUB DATE 7 Dec 92
NOTE 45p.; Paper presented at the National Conference of the National Council for Resource Development (26th, Washington, DC, December 5-8, 1992).
PUB TYPE Reports - Descriptive (141) -- Speeches/Conference Papers (150)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Community Colleges; Community Development; *Economic Development; Job Skills; *Job Training; Labor Force Development; *Program Administration; Program Descriptions; Retraining; *School Business Relationship; School Community Relationship; Small Businesses; Technological Advancement; Two Year Colleges
IDENTIFIERS *Kirkwood Community College IA

ABSTRACT

Kirkwood Community College's (KCC's) economic development efforts in Iowa provide a full-service, regional delivery system for customized job training, retraining, and economic development services and programs. The mission of Kirkwood Economic Development Services (KEDS) is to assist the region's business and industry in becoming more productive, competitive, quality conscious, and profitable. The first section of this paper provides an overview of economic development in Iowa and KCC's role in the economic development process. After section II reviews the characteristics of the changing workplace of the 1990's, section III explains the evolving role of community colleges in responding to those changes. Section IV begins by explaining the organization of KEDS and then provides descriptions of various KEDS programs and services, including: (1) the Kirkwood Business and Industry Training Center; (2) the East Central Iowa Center on Quality; (3) the Kirkwood Regional Economic Development Center, which heads the Rural Telecommunications Project and the Eastern Iowa By-Product and Waste Search Service; (4) the Kirkwood New Business Center, which has a branch office for small business development and operates a Rural Small Business Development Project; (5) the Iowa Procurement Outreach Center; (6) the Kirkwood Rural Development Center; (7) Kirkwood Industrial Modernization Services; (8) the East Central Iowa Council of Governments; (9) the Kirkwood Dislocated Worker Center; and (10) the Iowa State University Center for Industrial Research and Service. Attachments to the paper provide a KEDS program summary, the KEDS 1994 business plan, and an organizational chart and job descriptions for KEDS personnel. (ECC)

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ED 367 405

A COMPREHENSIVE APPROACH TO ECONOMIC DEVELOPMENT

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KIRKWOOD COMMUNITY COLLEGE
Cedar Rapids, Iowa

December 7, 1992

1992 NCRD National Conference
Ramada Renaissance Hotel
Washington, D.C.

JC 940 169

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I. KIRKWOOD AND THE REGIONAL ECONOMIC DEVELOPMENT PROCESS

Economic Development! We are hearing those words used more and more every day in the media, by our legislators and in our communities. Everyone seems to be involved in it. During the past eight years, our legislators have spent an enormous amount of time discussing economic development and creating incentives to promote it in Iowa. Economic Development has indeed become a significant priority in Iowa and across the nation.

But why? What has become so magic about economic development? The need for and the nature of economic development has changed significantly during the past ten years.

The state of Iowa prospered during the 1970's. Our agricultural industry was booming and few of us foresaw the eventual collapse of grain prices, exports and land prices. Our nation's balance of trade deficit was reaching new highs every year. The strength of the U.S. dollar was severely effecting the ability of U.S. industry to market its goods overseas and investment capital was leaving our country at an alarming rate. The resulting loss of manufacturing jobs was dramatic. The Cedar Rapids/Iowa City metropolitan region was certainly affected by this trend.

The level of competition nationwide for new jobs through new and expanding business and industry has become much tougher. More communities and states are competing more aggressively for a piece of a shrinking economic pie.

Those communities that are not organizing for economic development, improving their marketing capabilities and strengthening their competitive stance, run the risk of losing big in the years ahead. The economic environment in our nation is changing rapidly and we need to continue to adapt to that change if we are to be successful in improving the economic health of our communities. The future vitality of our communities will be dependent on how well we organize and conduct our economic development activities.

Economic development is a long term process, and the process itself is important. If we are to be successful in meeting the needs of our communities, in creating new jobs and insuring the quality of life that we prize so dearly, then we need to have an active economic development program in place. A community and region that is not organized for economic development cannot do economic development. A strong economic development process requires clear objectives, focus, funding, strong leadership, community involvement and an identifiable and responsible organization committed to economic development. Many of the communities in our region have placed viable economic development organizations in place.

It's becoming difficult, however, for a community to conduct an effective economic development program by itself. To be successful it needs strong linkages to its educational institutions, financial institutions, neighboring communities and state development agencies. To be successful in the future we will need to cooperate on a more regional basis. Our communities have everything to gain and nothing to lose by working together toward common objectives. The initiative taken by Kirkwood Community College in 1985 to establish a regional economic development coordinating council to be responsible for coordinating all federal, state and local economic development services in our region was an important step in that direction.

The last twenty years have been a time of unquestioned change in work and the nature of work. The speed and complexity of this technological transformation and the inability of American leaders to grasp the significance of the change have left the U.S. economy in vulnerable and defensive positions. This condition has been further exacerbated by an unfavorable balance of trade, poor rates of exchange, and worldwide industrial competitors who have coupled low wage requirements with automated manufacturing to become more productive and competitive.

In an increasingly knowledge and information intensive world, a quality economy is almost synonymous with a skilled and adaptable workfore. Future productivity increases in business and industry will depend in large part on the ability of workers to upgrade their current skills and use new types of process technologies.

The American corporation is feeling the impact of rapid, dramatic changes in the business environment caused by an explosion of scientific knowledge during the past thirty years. Mounting international competition, advancing technologies and legal and regulatory pressures are giving rise to new business strategies and organizational structures. The business that recognizes these changes and acts accordingly will enter the 1990's healthier and stronger than ever. Those that ignore the changes will lose their competitive edge.

Economic development programs and activities have proliferated in Iowa and around the nation during the past ten years as our states and communities have attempted to deal with the dramatic structural changes occurring in our economy. In Iowa our efforts have begun to show positive results. These improvements are not occurring by chance. Working together, our Governor, legislature and the public and private sectors have implemented a broad series of business climate reforms and economic development programs aimed at retaining, expanding and diversifying the state's economic base. Expanded emphasis has also been placed on aiding local communities, particularly rural ones, and enhancing regional economic development capabilities.

The coordination and delivery of economic development programs and services on a regional basis is a relatively new concept and one that is having very dramatic results. For many years, economic development activities in Iowa took place only at the state or community levels, primarily in the large urban communities. As a community based regional institution, Kirkwood assumed a natural leadership role as the need for regional delivery and coordination of services began to evolve.

Kirkwood Economic Development Services has now evolved and matured into a full service, regional delivery system for economic development services and programs. The recent proliferation of economic development programs and service providers has led to confusion among potentially eligible communities, businesses and individuals. Kirkwood has attempted to establish a single point of regional focus and local contact that can provide them with the knowledge and ability to access all applicable job training and economic development programs and services.

Our partnership with the State of Iowa and the Iowa Department of Economic Development has been very important to the development of Kirkwood Economic Development Services. In 1983 the Iowa Legislature put the Iowa Industrial New Jobs Training Program into place, a program that has since become recognized as one of the most effective and unique in the nation. Since it's inception, the program has helped to support the creation of 47,164 new jobs in Iowa through 598 training contracts, supported by the issuance of 143 million dollars in tax-exempt and taxable bonds. This program is delivered by the State's fifteen community colleges through contracts between our board of directors and the companies we work with. This program was instrumental in getting Kirkwood involved with customized, contracted training with business and industry long before we would have been able to work just on our own. It helped fund the training, the development of our delivery system and gave us an opportunity to establish our credibility as a provider of quality, customized training.

The State legislature also put new economic development programs into place using the Iowa Lottery as funding source. We have used those programs to establish and fund our Regional Economic Development Center, New Business Center, Small Business Development Center and Iowa Procurement Outreach Center. A worker retraining program was recently created and is funded with $2 million dollars annually by the Iowa Legislature.

The relationship of training to the economic development process has also become very important. Fantus, a Chicago based industrial site selection company stated in a recent newsletter, that the quality and availability of a region's labor force is becoming the dominant factor in site analysis. Assessment and analysis of the educational infrastructures of potential sites, the type and quality of training assistance available, and more importantly, whether sufficient funds are available to finance necessary training, is of critical importance in modern facilities planning.

For firms deciding whether to remain in and retool their present facilities, or relocate to another site, a key consideration must be the capture of the geographic edge with respect to access to a trained or trainable labor pool. Locating in an area with inexpensive but untrained labor could defeat the long-term objectives of companies that have invested or plan to invest in state-of-the-art equipment.

II. THE CHANGING WORKPLACE

Futurists of the 1970's envisioned the worker of the 1990's as nothing more than a button pusher, bored, uninvolved and not necessarily highly skilled, allowing computers to do the intelligent work. We are discovering today, however, that in order to attain their maximum levels of productivity, highly automated manufacturing systems demand greater responsibility by employees and depend more heavily on human judgement and skill than do more traditional systems. The distinctions between manager and production worker is narrowing.

American industry is going through a massive transformation process in response to a more competitive and demanding world marketplace. To remain productive in today's economy we must be able to compete in that global marketplace which demands the highest of quality, management and productivity, or we will not succeed. In his book "Thriving on Chaos," author Tom Peters provides us the following prescription for the firm of the 1990's:
"Take all the evidence together, and a clear picture of the successful firm in the 1990s and beyond emerges. It will be:

- flatter (have fewer layers of organization structure)
- populated by more autonomous units (have fewer central-staff second-guessers, more local authority to introduce and price products)
- Oriented toward differentiation, producing high value-added goods and services, creating niche markets
- quality-conscious
- service-conscious
- more responsive
- much faster at innovation
- a user of highly trained, flexible people as the principal means of added value"

Organizations that employ participative management strategies will most likely thrive. Those that don't, companies that expect people to take on greater responsibility without giving them more say in decision making and problem-solving processes, are not likely to get the kind of commitment from their workers that they will need to survive.

Why is this transformation of American industry important to our individual regions. As industry evaluates prospective sites for new plants, plant expansions and plant closures, a great many factors are evaluated. Because of the growing importance of the worker to the future success and productivity of highly automated manufacturing plants.

The availability and characteristics of the workforce have become one of the most crucial plant locational factors. These characteristics include high levels of individual productivity, basic education and literacy, low rates of turnover and absenteeism, a strong work ethic, trainability and adaptability. The American Society for Training and Development published "Workplace Basics, What Employers Want," an overview of findings following two years of research into identifying the skills that American employers want in their employees.

These "workplace basics" include fundamental academic skills, but reading writing and computation comprise just the tip of the iceberg. Employers want employees who can learn the particular skills of an available job, who have "learned how to learn." Employers want employees who will learn the key points that make up a customer's concerns (listening) and who can convey an adequate response (oral communications). Employers want employees who can think on their feet (problem-solving) and who can come up with innovative solutions when needed (creative thinking). Employers want employees who have pride in themselves and their potential to be successful (self-esteem); who know how to get things done (goal setting/motivation); and who have some sense of the skills needed to perform well in the workplace (personal and career development). Employers want employees who can get along with customers, suppliers or co-workers (interpersonal and negotiation skills); who can work with others to achieve a goal (teamwork); who have some sense of where the organization is headed and what they must do to make a contribution (organizational effectiveness); and who can assume responsibility and motivate co-workers when necessary (leadership). This is a prescription of a well-rounded worker who has acquired a number of discrete skills and who have the capability to acquire more sophisticated skills when necessary.

III. THE EVOLVING ROLE OF COMMUNITY COLLEGES IN RESPONDING TO THOSE CHANGES

In his preface to the monogram, "Two-Year Colleges: Doing Business with Business" Dale Parnell, past president of the American Association of Community and Junior Colleges made the following comments regarding the evolving role and importance of community colleges in responding to these dramatic changes in the workplace:

"A result of this condition is that U.S. industries are having to undergo the most significant transition since the industrial revolution. In response, employers are focusing attention on several broad strategies including the changing of production processes, adapting flexible specialization, product diversification and worker training and retraining."

"These strategies are exacting extremely high costs for government, industry, educational institutions and employers. As companies struggle with these new strategies, time-honored practices are being questioned and nontraditional methods and allies are being sought. The strategies requires both new ideas and information and a training/education system that is able to respond quickly, easily and capably. As a result, employers, large and small, private and public, are strengthening ties to higher education."

"Foremost among the new employer partners have been community colleges, while the challenges are significant and the requirements both varied and difficult, the community colleges seem more able than other higher education institutions to meet the needs. Now as in no previous time community colleges are demonstrating their capacity for delivering technology, knowledge and the skills to manage it."

"In response, community colleges nationwide are playing an increasingly vital role in job training and economic development, as key partners with government, labor and business, not only to train people for jobs, but also to help create and retain jobs. The affiliation of community colleges with business and industry is both longstanding and evolutionary. Traditionally, the role of community colleges has been to provide a skilled, educated workforce, with the students being the clients of the community college system. Business and industry were the beneficiaries of this education and training, as colleges prepared and supplied their workforce."

"Recently, the role of community colleges has evolved and expanded to the extent that they are being relied upon as a principal vehicle to reinstate excellence, competitiveness, and improve productivity within the nation's manufacturing economy. This evaluation from preparing the workforce for business (student as client) to conducting customized job training programs for commerce and industry (making the business the direct client) demonstrated the colleges' willingness to assume part of the burden for helping the U.S. be competitive in the world market."

"In meeting this growing responsibility to the employer, community college economic development activities have blossomed into a full array of programs and services in job training, technology transfer and industrial restructuring. Over the last few years many community colleges have become established as partners in economic development efforts."

IV. KIRKWOOD ECONOMIC DEVELOPMENT SERVICES

A: ORGANIZATION

Kirkwood's economic development efforts began in January 1983 when the college hired an economic development specialist utilizing an outside grant as a funding source. The effort remained essentially a one person operation until July 1985 when Kirkwood formally established its Economic Development Center and reassigned one of its administrators as its executive director.

Kirkwood Economic Development Services (KEDS) is a full service, regional delivery system for customized job training, retraining and economic development services and programs. Since 1987 it has operated as a separate division of the college on a comparable level with the other instructional divisions of the college reporting directly to the Vice President of Administration. It is managed as a self supporting budget center in fund two of the college budget. Its activities are supported by a team of 28 full and part-time employees. Most of these staff members are on one year limited term employment contracts tied to ongoing grant funding or contracted training revenues.

The mission of KEDS is to assist our region's business and industry in becoming more productive, competitive, quality conscious and profitable through the provision of customized job training programs and technical support services. KEDS has an operational philosophy that is committed to flexibility, responsiveness, quality products and services, being customer driven, innovative, energetic, highly visible and active, team based and highly networked. We enjoy being part of a support team but are prepared to take a leadership role when the situation requires it.

Our activities started out as a department in the community education division of our college. We discovered very quickly, however, that that relationship would not work well in the long run. Delivering contracted, customized training to business and industry requires a different type of focus and delivery system than is typically found in most traditional community college non-credit divisions. Our primary focus is on building long term relationships with our client companies. What differentiates what we do from the traditional credit and non-credit activities of the college, is that in every case, the client we contract with is always the company itself not the individual employee.

That is a very important distinction when you build a contracted training delivery system. We have to be very client and market driven, flexible, adaptable, timely, quality conscious and responsive. Industry nationwide has been reluctant to approach community colleges for help because educational institutions in general have not been responsive and able to deliver what industry needs.

We have to operate more like a business than an educational institution. Industry has told us that they prefer to have only one representative from the college through which to deal. In response, we have developed a training officer staff position that functions like a sales representative in a business, responsible for managing a limited number of college-company accounts. It's the training officers responsibility to know his or her client companies inside and out, their training decision makers, corporate culture, product lines and markets. Most of our staff members have come to us from business and industry rather than from academia. To do business with business you have to be able to wear your business hat. We are on call 24 hours a day, 7 days a week throughout the year.

We use a broad range of resources to deliver training in a timely, quality fashion, including the colleges full-time faculty and staff, our own business and industry trainers and a variety of outside vendors. Identifying the components of what businesses need can often be very difficult. So we function, in effect, as a kind of training broker. We help companies assess the kind of positions they want to train, making sure their training investment is the most cost-effective, best-targeted investment they can make.

B. Kirkwood Business and Industry Training Center (BITC)

The BITC is responsible for the delivery of customized job training programs and technical support services to our region's business and industry. Staff consists of five account representatives who are responsible for developing and coordinating the delivery of training to our client companies. Three full-time business and industry trainers have been hired in the specialized areas of quality control, industrial maintenance and industrial fire safety to provide onsite training, curriculum design, technical assistance and consultation to our region's companies. The BITC has five support staff positions and an FY92 operating budget of $556,384 which is supported entirely by revenues from our contracted training activities.

During FY90 the BITC generated $800,000 in contracted training revenues from 44 companies, a 37% increase over FY89's $590,000 total. Over 2,500 existing employees of those companies received training. During FY91, the Center served 80 companies with 397 activities, generating $1,335,267 in revenue and 98,122 contact hours of instruction with 6,904 individual employees. Staff conducted over 1200 consultations with 244 different companies and organizations. During FY92, the center served 102 companies, generating $1,410,000 in revenue and 102,000 contact hours of instruction with 7,100 employees.

The Iowa Industrial New Jobs Training Program (280B) is an incentive program authorized by the state which permits new or expanding industries to enter into training contracts with Kirkwood at no cost to the industry. To qualify, a business must be located in our service area and be engaged in manufacturing, assembly or processing, or engaged in interstate service, transportation, wholesale distribution, research or development. Each 280B contract is funded by the sale of taxable or tax exempt certificates and repaid over ten years through the diversion of property taxes from the increased value of buildings, machinery and equipment, and/or employee state withholding taxes. Companies may contract with Kirkwood for customized training or for on-the-job training which occurs in the plant and is arranged by plant management. In the latter case, the company is reimbursed for up to 50 percent of the trainees' salaries for a reasonable OJT period.

The Iowa Small Business New Jobs Training Program (280C) assists smaller, higher risk, start-up businesses with new employee training cost. Businesses must meet the same qualifications as required for the 280B program and are eligible for the same benefits. To fund the program the Iowa legislature annually allocates a pool of $1 million made available on a first come, first serve basis for contracts not to exceed $50,000 each.

Through the Iowa Industrial New Jobs Training Programs (280B & 280C), since 1983, Kirkwood has provided $28,942,495 in training funding support to over 125 companies, assisting in the creation of 7,111 new jobs in our seven county service area.

Since its inception in 1983, the Iowa Industrial New Jobs Training Program has initiated 598 training projects with companies throughout the State of Iowa through actual and projected certificate sales of $142,984,988.

The Small Business New Jobs Training Program has awarded 88 loans since 1985 totaling $3,178,459 to 85 businesses with three of the businesses being approved for two separate training projects each. The average amount of the loans has been $36,119. Three additional loans were approved but the projects were canceled and the funds returned to the state.

The Iowa Retraining Program, initiated in 1990, has awarded 84 loans totaling $3,171,476 to 72 businesses. Grants totalling $275,832 have been awarded to eight projects consisting of 32 businesses. The average amount of each loan has been $37,756. The average amount of each grant has been $34,479. Three companies received individual loans and also were members of consortiums where they received grants.

The Iowa Industrial New Jobs Training Program has encouraged the planned creation of 47,164 new positions through the initiation of 598 New Jobs Training Agreements during the years 1983-1991. The number of new positions is an estimation on the part of the participating business prior to initiating a training agreement with the community college. Of the 598 Training Agreements, 553 Annual Reports were submitted for Fiscal Years '91. Currently, the Annual Reports state that 38,681 out of 43,911 positions, or 89%, are shown as being filled.

The Small Business New Jobs Training Program plans to create 2,074 new jobs. Based upon the FY91 Annual Reports, which describe the progress of projects currently underway, actual job creation to date is 1,283 new jobs, or 62% of planned levels.

A sample of some of our current training activities include the delivery of 1760 hours of basic electrical and welding instruction for a maintenance technician cross training program at Quaker Oats, a team building program at the Pickwick Company, a four hour statistical process control overview for all 3500 workers in Rockwells' Air Transport Division, basic electrical and machinist training at General Mills, basic electrical and academic fundamentals training at Iowa Electric Light and Power Company's Duane Arnold Energy Center Training Center, a position analysis for CRST, diesel mechanics and solid state devices training for the US Navy Reserves and continued development of the training programs for Genencor's and PMX Industries new plants.

In 1990 Kirkwood implemented onsite degree programs with Iowa Electric at the Duane Arnold Energy Center and at Life Investors Insurance Company. Employees of those companies will now be able to work toward a two year and/or four year college degree without having to leave their work site. Expansion of this concept is being discussed with other companies at this time.

1. East Central Iowa Center on Quality

Kirkwood Community College and The Grant Wood Area Education Agency are entering a partnership to initiate and maintain a Regional Center on Quality.

Through its efforts and components including an Area Quality Council and Area Quality Network, the Center will provide such services as: resource materials, leadership, assessment, research, technical assistance, consultation, link/brokering, facilitation, & training from mere awareness to company/organization-wide, intensive training. Such services will be targeted to the following sectors: retail, manufacturing, service, education, government, labor, and other non-profits.

Funding & staffing to support the Center will initially come from in-kind support of both organizations as well as initial Network dues. It is the goal however, for the center to be funded with a combination of organizational funding, grant support, and income from services provided.

The Center will be served by an advisory and leadership body called the Area Quality Council. The Council would be representative of the sectors to be served such as: Kirkwood, Grant Wood, local school districts, business & industry, government, labor, chambers of commerce, quality associations, etc. It will also seek the involvement of other quality related organizations such as the Iowa Quality Coalition.

Both organizations realize that the broad scope of services mentioned above cannot be provided just by the two organizations alone. Instead, entities in the sectors mentioned above will be invited to become part of an Area Quality Network. Such a network will become an interactive and supportive system for those wishing to learn from and with one another about quality improvement practices. For a Network subscription fee, members would have access for example, to: an area newsletter, a directory of area network members, access to the quality center, discounted training, an interactive data base, schedules of area and national training opportunities, and opportunities for networking, etc. The Network will be staffed as a part of the Quality Center.

C. Kirkwood Regional Economic Development Center (REDC)

The REDC is directed by one of fifteen statewide regional coordinating councils, the East Central Iowa Economic Development Council. Kirkwood took a leadership role in organizing the Council in 1985 and KEDS executive director, Steve Ovel, has served as its chairman since its formation in January of 1986. The Council consists of 55 individuals representing business, industry, government, education and economic development professionals from throughout our region. The Council is responsible for the coordination of economic development activities within our region and preparation of an annual Economic Development Coordination Plan. Steve Ovel represents our Council on a state regional coordinating council chairmen's association.

The REDC is part of the Iowa Economic Development Network. The REDC is partially funded by an annual $65,000 grant from the Iowa Department of Economic Development and is administered by the college. In FY91 the REDC received an additional $40,000 to implement an international trade/technology transfer program. This funding was utilized to establish the Kirkwood Industrial Modernization Service. The REDC director provides a broad range of economic development services to primarily the rural communities in our seven county region. The REDC also administers the Try Iowa Program. The program is a free public service that helps Iowa businesses market their products and services throughout Iowa, the nation and the world. The Network includes a Primary Research Center at the IDED in Des Moines and 16 regional satellite centers of which ours is one.

The regional centers offer local marketing assistance to new and existing businesses of all sizes. The primary center and its satellite offices are electronically linked by a computer system and share a computerized data base containing information on thousands of Iowa products and services. The data base is used by network specialists to match potential buyers with Iowa suppliers.

Staff consists of a director, an economic development officer, and the program manager of the Industrial Modernization Service.

During the past four years the REDC has written twelve successful Community Economic Development Betterment Account grant applications on behalf of eleven rural communities supporting twelve new or expanding businesses with $1,159,000 in financial support resulting in the commitment to create 508 new jobs. The REDC also assisted with the writing of a successful $365,000 Department of Natural Resources grant application on behalf of a rural Iowa business seeking to develop a tire recycling facility. That facility will handle one half of the waste tires in Iowa annually.

The REDC has assisted eight rural communities in completing the State's Community Economic Preparedness Program and is working with five more in process of completion. The REDC has assisted in the preparation of four community promotional videotapes and numerous community industrial prospect bid packages. The REDC has also assisted in the development of two county wide economic development organizations. The Benton Development Group (BDG) is a classic example of how a diverse rural county can approach economic development on a regional basis. The county successfully applied for and obtained Rural Enterprise funding from the IDED. BDG representing all of Benton County has hired a director to oversee their development efforts. The REDC was instrumental in the formation of this county-wide group as well as offering support for their ongoing activities.

The REDC has worked closely with the neighboring communities of Lisbon and Mt. Vernon. The two communities, with Kirkwood REDC assistance, have completed their Community Economic Preparedness Program certification and a joint promotional community videotape. In terms of economic development, the two former rural communities now see themselves as one. They have experienced a high degree of success in their efforts. The Kirkwood REDC staff has become an extension of their respective economic development organizations. With this type of professional support relationship, we are able to offer a variety of services to a community. In our role as staff, we are facilitators working to develop linkages between ourselves, the community and the other state and regional service providers. There are multiple entry points into the network of service providers which can often result in confusion and frustration. We pride ourselves on our complete understanding of that network, and how it can be accessed by communities such as Lisbon and Mt. Vernon. Communication and cooperation among the many services providers has enabled our region to enjoy unparalleled economic development success.

The REDC conducts a semiannual Service Providers Roundtable and a Regional Service Provider Matrix has been established to provide information about the available resources and service providers in Region 10. The matrix was developed through a cooperative effort between the Regional Economic Development Center, Regional Coordinating Council, and local service providers.

The matrix provides a description of the services currently in place through 40 different service providers to meet the needs of business, industry, communities and governments. Four matrixes encompassing the areas of Business Assistance, Community Development, Economic Development and Work Force Development are attached.

1. Rural Telecommunications Project.

Works with 30 small independent telephone companies located in the Kirkwood seven county area. The project includes the following activities:

a. Develop coalitions between industry, local economic development groups, and telecommunications service providers.
b. Analyze present telecommunications service involvement and identify areas for increased cooperation, service and visibility.
c. Increase involvement of local telephone exchanges in local economic development groups on the present telecommunication services available as well as the potential use of information technology. Communicate telecommunication services presently available and forecasted to local economic development groups to aid in the attraction of industry.

2. The Eastern Iowa By-product and Waste Search Service.

Works with business and industry to reduce the amount of commercial and industrial materials going to Iowa's landfills and other disposal sites. Project staff actively contact generators of waste materials to obtain accurate information and then actively search for users of materials, thereby promoting transfer and use of waste and by-products. This service helps industry to locate valuable materials that they can use in their business, saving money by avoiding landfills or other disposal sites. They save money in disposal costs as well. This service assists business and industry to become more environmentally responsible which is good for the environment and good for business.

D. Kirkwood New Business Center (NBC)

The Kirkwood New Business Center (NBC) was opened on July 1, 1988. The NBC is a small business resource center and incubator located in the former Longfellow Elementary School in Marion. The NBC is designed to serve a regional audience although most of its clients come from the Cedar Rapids/Marion area. The NBC works with individuals, small businesses and entrepreneurs who need assistance in preparing business plans, financial projections, marketing or any other assistance that might be necessary for the successful startup or operation of their business. The NBC had a FY91 budget of $138,600 and is jointly funded by Kirkwood, the State of Iowa through a small business incubator grant, the Cedar Rapids Chamber of Commerce, the Marion Economic Development Company and several area utilities, businesses and organizations. In-kind support is received from the Marion Independent School District and the City of Marion.

The NBC has had 3,021 client contacts since 1988, provided tenancy to twenty-one new companies and assisted in the establishment of numerous new companies locating in commercial space. Tenants gross sales in FY92 were $5.5 million.

1. Kirkwood Small Business Development Center Branch Office

In July 1989, a Small Business Development Center branch office was opened at the New Business Center helping to expand and coordinate the delivery of services to our regions small businesses. The FY91 budget for the office is $40,000 received from the State. $4,000 in in-kind support will be given to the branch office from the NBC budget center. Staff consists of a program manager. KEDS executive director, Steve Ovel, served for three years as a member of the Iowa State SBDC Advisory Committee.

2. Rural Small Business Development Project

The economic recovery that has been occurring in Iowa since 1986 has been more robust in urban than in rural areas. Our rural areas need special consideration and greater access to state and federal programs if they are to recover, strengthen and diversify their economies. Often, because of their remote location, declining resources, and lack of knowledge about available programs and services, smaller communities are at a disadvantage when trying to create a viable economic future.

To aid in meeting the needs of this constituency, Kirkwood applied for and was successful in securing a three year grant of $231,426 from the Northwest Area Foundation of St. Paul, Minnesota in February of 1989 for establishment of a Rural Small Business Development Project. Through the project, Kirkwood provided a comprehensive set of services to rural residents wishing to start or expand small businesses or farm based microenterprises in the five rural counties served by the college.

This project demonstrated the integral role that a community college can play in rural economic development and will hopefully be used to stimulate new public policy designed to assist economically disadvantaged rural residents. Through the project, Kirkwood funded two full-time small business case managers who worked directly with clients in such areas as the selection of a business, preparing business and financial plans, and access to markets and financing.

The college is drawing from its professional resources and expertise in the area of community revitalization to establish, maintain and expand business opportunities in the various markets. The project was administered by the director of the Kirkwood Regional Economic Development Center in cooperation with the College's Rural Development Center and New Business Center.

The establishment of this project enabled Kirkwood to expand our existing resources and delivery system more effectively to our regions rural communities, businesses and farm families. We are excited about the continuing potential this project holds for our region and state.

E. Iowa Procurement Outreach Center (IPOC)

Kirkwood Economic Development Services also houses the Iowa Procurement Outreach Center (IPOC) which is operated by the Iowa Department of Economic Development. It was established six years ago to assist Iowa businesses define market opportunities at the state and federal levels. The IPOC then assists the firms to compete successfully for government contracts. The IPOC delivers its resources through a network of professionals located at each of the fifteen community colleges in the state, the Small Business Development Center, the Iowa State University Center for Industrial Research and Service regional offices and the IDED.

The IPOC's FY91 budget of $211,622 was funded by grants from the State of Iowa and the Federal Department of Defense. Staff consists of two procurement specialists and a secretary. During FY91 the Iowa Procurement Outreach Center assisted 42 companies in Iowa with 131 Federal prime contracts totaling $11.6 million dollars.

F. Kirkwood Rural Development Center (RDC)

In 1985, in response to the dramatic needs of our farm families, Kirkwood established its Rural Development Center. The RDC teaches farm families and rural business owners how to develop profitable ventures along with their traditional farming operations. Assistance is provided to rural constituents who are seeking new efficiencies and employment options. Personal and technical skills are identified, strengthened and directed toward alternative enterprises in agriculture. Since its inception, the RDC has worked with over 2,000 clients in workshops, seminars, conferences, and one-on-one counseling. The college has received several Iowa Agricultural Revitalization grants to support the ongoing activities of the RDC.

Of these 2,000 clients, 540 new business start-ups have occurred which supplement farm income. Forty-five percent of these start-ups are supplementing the families income by $8,000 per year and twenty-one percent of the businesses are gaining at least fifty percent of their income from the new venture. Kirkwood's regional model provides technical assistance and training to rural families in the development of alternative enterprises which keep rural families in their locale and, as a result, add value to the local economy. Kirkwood's facilitators work to overcome information, marketing or financial barriers that keep local ideas from becoming a reality.

One example of Kirkwood's efforts is the development of Iowa's largest fish farming group. At the request of twelve farmers in 1986, Kirkwood helped to develop an indoor system to raise fish using existing farm buildings and recycled water. The farmers are now trained in aquaculture, and a 7 million pound industry served by a recently contracted processing plant is being established in Iowa. The RDC's activities have been now been transferred to the New Business Center.

G. Kirkwood Industrial Modernization Services (KIMS)

To assist area manufacturers and promote the renewal and continuing vitality of Iowa's manufacturers, Kirkwood established the Kirkwood Industrial Modernization Service (KIMS) as part of the newly formed Iowa Heartland Technology Network. The services of our Industrial Modernization program help small to medium sized manufacturers: 1) optimize their present facilities to improve quality as they reduce lead time and cost; 2) identify appropriate technologies and approaches that benefit their operations; 3) locate resources to support improvement projects; 4) implement new technologies and train workers; and 5) find new markets.

An initial customer assessment is completed to gain an understanding of the firm's general characteristics and immediate concerns. Information gathered pertains to corporate structure, demographic data, products and services, customers and suppliers, technology deployment needs, training needs, and marketing activities. Following the initial customer assessment an advanced assessment interview is completed to gather comprehensive diagnostic information. Specific information is collected on the company's products and services, operational process, engineering and design processes, currently used and/or technologies under consideration, training initiated, and marketing interest.

The results of the initial and advanced assessments are combined to create the company's initial assessment report. This report is utilized by the Action Review Committee (ARC), a field team consisting of experienced professionals. The team provides research-driven, field-proven assistance to help the company launch and develop credible, cost-effective, high-impact programs.

The ARC integrates their knowledge and experience to address the firm's particular needs. The field team at Kirkwood Community College is comprised of professionals from Kirkwood Community College and the Iowa State University Center for Industrial Research and Service.

During the first year, 48 small to medium size companies received assistance through the Kirkwood Industrial Modernization program. A variety of manufacturing firms were assisted including metal working, metal stamping, injection molding, rotational molding, agricultural equipment manufacturing, lumber processing, packaging, castings, electronic fabrication, and food processing establishments. Each company received direct contact or assistance from the Action Review Committee. Over half of the clients needed

assistance with marketing and workforce training. Concurrently, 70 percent the clients were planning new products for the next fiscal year and needed assistance with technical and process changes.

Results from the initial and advanced customer assessment are linked with Dbase III Plus files to store the information in a database management system. This database is utilized to store company information, track company progress, and research trends.

H. East Central Iowa Council of Governments (ECICOG)

In December of 1991, the East Central Iowa Council of Governments relocated to a newly renovated building on Kirkwood's east campus. ECICOG now operates next door to the Kirkwood Economic Development Services' office building.

ECICOG is a regional planning agency governed by a Board of Directors comprised of locally elected officials and private citizens. At present, ECICOG membership includes seventy-two local jurisdictions; sixty-six cities and six counties including Benton, Iowa, Johnson, Jones, Linn, and Washington.

The agency employs six full-time people providing a broad range of services. Services provided are in the area of strategic community and economic development planning; comprehensive planning, grantwriting, preparation, and administration; transportation planning; waste reduction and recycling assistance; housing needs assistance; and zoning ordinance assistance.

I. Kirkwood Dislocated Workers Center

The Kirkwood Dislocated Worker Center provides employment and training services authorized under the Economic Dislocated Worker Adjustment Assistance Act (EDWAA). EDWAA is a federally funded program designed to help workers who have lost their jobs due to plant closings or permanent reductions in the workforce acquire skills needed to re-enter the job market.

One of the most effective methods of acquiring new job skills is through the use of on-the-job training; an employer agrees to hire an eligible dislocated worker and train him/her in an actual job setting. The Kirkwood Dislocated Worker Center writes a training agreement with the employer outlining the training occupation, the skills to be learned and the wages to be paid. The employer is reimbursed for 50 percent of the wages paid to the trainee as compensation for the extraordinary costs associated with training a new employee.

On-the-job training is a valuable resource for employers because to allows them to train a new employee according to the employer's particular needs. Depending on the skill requirements of the job and the skills already possessed by the dislocated worker, on-the-job training agreements may be written for up to twenty-six weeks.

J. Iowa State University Center for Industrial Research and Service (CIRAS)

During FY92 the Regional Office for CIRAS will be located on the Kirkwood campus. The Center for Industrial Research and Service is an arm of the Iowa State University Extension Service which assists owners and managers of manufacturing and processing firms. CIRAS helps manufacturers and processors to make better decisions by supplying them with information in technical and management areas. This information covers the wide range of topics from finance and marketing to energy and operations analysis.

CIRAS has the mission to help Iowa industry prosper. This mission includes the concern for a productive and safe working environment for Iowans. The CIRAS strategy is to provide a service that has high value to Iowa industry. Each year, CIRAS responds to more than 1,000 requests from about 800 firms.

CIRAS offers industry: * Guidance and assistance in identifying and analyzing industrial problems by providing suggested solutions or referrals to other sources of assistance. * Staff members average 20 years of industrial experience in related fields of management, marketing, export sales, human resources, prediction, purchasing, government, personnel, planning, development, and public relations.

KIRKWOOD ECONOMIC DEVELOPMENT SERVICES - PROGRAM SUMMARY

	Tenure	Funding	Staff
Administrative/Operations	FY85-Present	Administrative Fee	2
Contract Management	FY85-Present	Administrative Fee	2
Business & Industry Training Center	FY85-Present	Client Revenue	13
Iowa Industrial New Jobs Training Programs	FY83-Present	Administrative Fee	-
Iowa Retraining Program	FY89-Present	Administrative Fee	-
Center on Quality	FY93-	Client Revenue	0
New Business Center	FY87-Present	Local	2
Small Business Development Center	FY89-Present	State/Federal	1
Rural Small Business Development Project	FY90-FY92	Private Foundation	0
Regional Economic Development Center	FY86-FY92	State	0
Rural Telecommunications Project	FY92-Present	State	.5
Waste and By-product Exchange Program	FY92-Present	State	.5
Industrial Modernization Service (Wallace Technology Foundation Heartland Technology Network)	FY92-Present	State	1.5
Rural Development Center	FY85-FY92	State/Kirkwood	0

Economic Development Programs Co-located at Kirkwood

Iowa Procurement Outreach Center	FY85-Present	State/Federal	2.5
East Central Iowa Council of Governments	FY92-Present	Local	7
Dislocated Workers Center (JTPA)	FY84-Present	Federal	3
Center For Industrial Research and Service (Iowa State University Extension)	FY93-Present	State	1

DESCRIPTION OF BUSINESS

Description.
The Economic Development Services Division is responsible for providing educational and technical support services to large and small companies in the business, industrial, and service sectors. A wide array of customized and standardized contract training programs are available including: basic electrical and welding instruction, team building, machinist training, diesel mechanics, material handling, skills/position assessment, management/supervisory training, hazardous material training, quality control, industrial maintenance, and a variety of credit courses.

The Economic Development Services Division is committed to flexibility, responsiveness, and the delivery of innovate programs and services. Staff coordinate and deliver training to area companies by assessing company training needs, developing training proposals, coordinating curriculum design, programming and facilitating training offerings, and evaluating training program effectiveness.

Educational programs presented directly to businesses are considered to be contracted training activities.

History.
Presently, a small percentage of the businesses in Kirkwood's seven county region are taking advantage of the resources and capabilities available through Kirkwood's Economic Development Services Division. During Fiscal Year 1992, approximately 102 businesses (20 percent of the manufacturing community) utilized the Economic Development Services Division. A high portion of this percentage consists of employers with more than 100 employees. The small to medium size businesses, which account for the largest share of new jobs created, are not receiving the services and training necessary to assist with their continued competitiveness. Consequently, here lies a virtually untapped market.

Kirkwood's Economic Development Services Division began in 1983 with an economic development specialist and was formed to provide customized contracted training opportunities to area business and industry. Since this time, the division has evolved and matured to include one director, three trainers, two project coordinators, two full-time and one part-time training officers, and a support position. Additionally, the Community Education Division, the Environmental Training Center, and numerous credit departments offer contracted training programs to business. Sales for Kirkwood's Economic Development Services Division for FY 1992 exceeded $1.4 Million.

Outlook.
The Kirkwood Economic Development Services Division is in transition with the intent to operate as efficiently as possible to best meet the needs of area business and industry. It is believed that this can best be accomplished through consolidation of several systems into one profitable contracted training unit. The mission of the Economic Development Services Division is to provide quality contracted training opportunities to business and generate enough revenue to at least cover the overhead and direct training costs generated by the Division. To fulfill this mission, it is imperative that the Kirkwood Economic Development Services Division become the sole provider of contracted training opportunities to the business community located within Kirkwood's seven county district.

Work force development and retraining is predicted to continue to grow exponentially. It is a fact that learning on the job contributed more to productivity increases over the past 60 years than technology or capital, and more than formal education. Businesses are beginning to realize that an investment in training can turn into a competitive advantage. Seventy-five percent of the work force for the year 2000 is already in the workplace today. Also, three-fourths of the new work force entrants will be qualified for only 40 percent of the new jobs created between 1985 and 2000. (Train America's Workforce, 1990.)

This means that training and retraining for business and their workers is a vital part of business competitiveness. The "new economy" consisting of new competitive standards in the area of quality, variety, customization, convenience, and timeliness is forcing businesses to employ high-level training programs to develop its work force.

Entities that can deliver training programs to businesses have an ongoing market in an economy experiencing sweeping demographic and technological changes. Kirkwood's Economic Development Services Division will expand upon its present reputation and utilize the present client base as a marketing tool to expand offerings and customers. Resources available within Kirkwood Community College will be accessed to take full advantage of quality instruction and curriculum.

It is the policy of the Economic Development Services Division to provide quality contract training opportunities to business that facilitate community growth and development.

MARKET

The Kirkwood Economic Development Division will continue to provide contract training opportunities to business and industry; high tech and low tech, large and small, located in both urban and rural communities in Kirkwood's seven county service area.

Industry Description
Based on the 1987 Economic Census and the 1991 Iowa Manufacturer's Directory approximately 5,842 retail, service, wholesale and manufacturing businesses are located in Kirkwood's seven county region. Since 1977, the region's overall industrial base has recovered and grown steadily (up 23 percent since 1977) resulting in significant job growth. The region's diverse manufacturing and non-manufacturing base provides endless opportunities in the area of training and retraining.

The retail, service, wholesale, and manufacturing business sectors have unique training needs. Historically, the manufacturing and service sectors offer the best opportunities for contracted training with the retail sector offering opportunities in the area of customer service and employee involvement.

Kirkwood's regional industrial base continues to grow through expansions by existing industries as well as through new business locations. The Cedar Rapids-Iowa City economic and industrial development corridor attracts many diverse manufacturing and high tech industries. Economic Development Organizations within the region are well organized and are actively pursuing the attraction of business and industry.

Competition.
Competition in the area of contracted training for business exists. Private contractors and entrepreneurs are the biggest competitors with little competition resulting from the Universities and other educational institutions. In the past, private consulting companies primarily offered services in one or two topic areas. Now they are expanding and offering consulting and training services in a variety of topic areas.

An additional competitor is in-house training provided by the company or the company's corporate office. Also, for technical subjects such as health and hazardous materials, competition comes from hospitals, laboratories and waste management companies.

In the past, contract training programs have been offered by a variety of departments within the Kirkwood Community College organization. For example, the Community Education Division offers contracted training courses in the area of Health, Computer Training, Quality Training, Office Education, and Industrial Technologies; the Environmental Training Center offers contracted training courses in the area of Hazardous Materials and Fire Safety; and Credit Departments offer contracted training courses in the area of Welding, Business Services, and Agriculture.

If the success and viability of the Kirkwood Economic Development Services Division is based on the net income generated by the Division and/or the Division's ability to "pay for itself" with limited support for the 260E Administrative Fund or the General Fund, then internal competition must be stopped. The Kirkwood Economic Development Services Division must be allowed to operate as the sole provider of

contracted training with all applicable expenses and income posted to the Division. Consequently, training in the area of hazardous materials and fire safety must be scheduled, organized, coordinated and monitored through the Economic Development Services Division utilizing the trainers on staff at Kirkwood's Environmental Training Center. Applicable business and industry related open enrollment courses must also be coordinated, monitored, and evaluated through the Economic Development Services Division.

The Division cannot be profitable without the support from Kirkwood Management and the understanding that the role of this Division is indeed important to the overall mission of the College and the vitality of Kirkwood's business community.

Division Strengths
--Accessibility to a variety of resources
--Stable
--Credible
--25 year track record for educational delivery
--Financial resources
--Trainers with technical specialties
--Fast delivery
--State financial assistance packages--260E and 260F
--Knowledgeable staff

Division Weaknesses
--Market penetration
--Lack of financing
--Lack of quality instructors due to loads of internal college staff
--Internal college priorities - is this a priority?
--Lack of internal and external communication
--Promotion
--Lack of centralized delivery

Division Barriers
--Technology--barrier for everyone but we have best opportunity
--Equipment for up-to-date training
--Capital resources for long-term gain

Price.
Based on services provided during the past 8 years, contracted training courses will be delivered at a price of $80 to $125 per contact hour. There are, of course, some special cases where these rates vary due to the business and technical level of the course offered (i.e. hazardous materials training, fire training, and organizational design).

Market Strategy.
The total revenue generated by collective departments providing contracted training services is less than the training budget maintained by some of the Economic Development Services Division's major clients. Therefore, present market penetration is poor, just touching the surface of the area's potential. Additionally, less than 20 percent of the area's manufacturing community has received assistance from the Economic Development Services Division with about 63 percent of the Economic Development Services Division clients employing 250 or more employees.

Consequently, small to medium size businesses are not taking advantage of the training opportunities available. Businesses with less than 250 employees account for 8 percent of contracted training revenue.

During Fiscal Year 1992, where gross revenue reached its highest peak during the history of the department, 102 businesses received services with five business accounting for 62 percent of the total revenue generated. The Economic Development Services Division needs to continue to acquire new accounts to lessen the dependence on these five businesses for revenue. During Fiscal Year 1993, these key businesses experienced a reduction in training funds, subsequently causing a reduction in the dollar volume of sales.

Additionally, the Economic Development Services Division could increase training revenues by expanding services offered to companies qualifying for a 260E or 260F financial assistance training package. Presently, companies which receive 260E or 260F contracts are not required to utilize Kirkwood's Economic Development Services Division for fulfillment of the business' training needs. To encourage more business directly with the Division, a training needs assessment would become a requirement before completion of a 260E or 260F contract. Hence, the company would have documentation which highlights potential training topics for consideration. Subsequently, the Economic Development Services Division would develop a training implementation plan to address the needs identified through the assessment and thereby place the Division in a remunerative position and would ultimately receive more contracted training projects from the business.

Small to medium size businesses are prime targets for open enrollment courses. Often a business of 50 to 100 employees cannot afford to have a training course developed specifically for two or three of their personnel. Rather, it is more economical for the business to send two or three employees to an open enrollment course covering topics of interest. Members of the sales force will work to identify potential open enrollment offerings which could fill this market niche.

Hence, a four-pronged marketing strategy is proposed. 1)Market Penetration: efforts will focus on penetration of the present market being served. 2)New Market Development: the Economic Development Services Division will concentrate in a new market consisting of small to medium size companies averaging 100 to 250 employees. 3)Financial Assistance Contracted Training: emphasis will be placed on increasing the amount of contracted training received from companies that receive a 260E or 260F contract utilizing a training needs assessment tool. 4)Business and Industry Open Enrollment: efforts will focus on the development of courses that small to medium size businesses (1 to 100 employees) can benefit from.

Contracted training programs which offer the most growth potential consist of hazardous materials, fire and safety training; ISO9000 and total quality management training; organizational development training and business development programs. Feasibility of in-house curriculum design in these areas will be researched for cost effectiveness and delivery.

PRODUCTS AND SERVICES

The Kirkwood Economic Development Services Division provides contracted programs for area businesses and industries. The Division is totally responsive to the demands of industry. Included among its capabilities are:

Contracted Training: Officers are available to design training programs to meet specific needs of a business, industrial firm or governmental agency. Customized training offerings include, but are not limited to the following: Technical Training (Geometric Dimensioning & Tolerance, Programmable Logic Control, and Blueprint Reading), Employee Growth Programs (New Working Orientation, Time Management, Team Building, and Supervisory Skills), Health and Safety (Hazardous Materials Handling, Hazardous Waste Disposal, CPR, and Industrial Fire Brigade), and Quality Control Programs (Statistical Process Control, Total Quality Management, and Just-In-Time Training).

Training for New Employees: Business and industrial firms which are expanding or developing in eastern Iowa may qualify for financial assistance to train new employees through the 260E program.

Retraining for Existing Employees: Business and industrial firms may qualify for financial assistance to retrain current workers, to assist firms in remaining competitive and retain existing employees through the 260F program.

Business and Industry Training Analysis: The pre-training research focuses on an analysis of a company's most important organizational and operational positions. The information acquired is used to design customized training programs and pre-employment tests for employees filling current and new positions.

Technical Assistance: Based upon individualized company needs, the Economic Development Services staff can provide a broad spectrum of technical assistance and consultation. Often this involves actual curriculum writing, design of training aids and technical consultation about the manufacturing process.

Pre-Employment and Pre-Training Assessment: This service assesses new recruits' skills and aptitudes against those required to successfully do the job. Tests are designed to meet a company's individualized needs. Current employees are also assessed as they enter new positions or as positions evolve to include new skills.

Joint Center on Quality: Kirkwood Community College and the Grant Wood Area Education Agency are working together to establish a Joint Center on Quality which will provide services to include resource materials, leadership, assessment, research, technical assistance, consultation, linking/brokering, facilitation, and training from awareness to company/organization-wide, intensive training. Such services will be targeted to the following sectors: retail, manufacturing, service, education, government, labor and non-profits. While the Center will begin as a non-revenue generating entity, the formation of this Center is an integral and pivotal point in future funding for several grants which Kirkwood Community College is pursuing. In-kind support from Kirkwood Community College will be necessary.

Research & Development

Critical to the success of the Economic Development Services Division, is the Division's ability to remain "in touch" with new technologies, work systems, and regulations. The Division must be able to respond quickly, easily and capably to industry requests for training and retraining.

To better meet the rapidly evolving training needs, the Division must complete research and develop customized curriculum which meets the present and future needs of clients. To remain leaders in providing "cutting edge" training, investment in appropriate long-term curriculum development projects is necessary. The 260E Administrative Fund might appropriately be used for this purpose.

SALES

It is hoped that by centralizing contracted training activities revenues could reach $900 thousand to $1.1 million for Fiscal Year 1994 with an anticipated 5 percent growth for the next three years. Based on the fixed costs of the Contracted Training Division, the goal is to operate at a mark-up that allows the division to break even with a 1 to 2 percent return on investment. Goals for revenue generation and estimated overhead costs are shown in Appendix A.

Sales Force

An internal sales force consisting of three individuals will be utilized to market the services of the Economic Development Services Division including all educational opportunities provided to business.

It is anticipated that by restructuring the contracted training activities, a sales team of three individuals would adequately provide coverage to the area. These individuals will be dedicated to outside sales, contract delivery, and income generation. Three professional support positions will perform programming, managing, and coordinating functions in support of the Division's contracted training activities.

Sales team efforts will be realigned to focus on specific industries complementing an individual's area of expertise. For example, an account representative may cover the insurance industry, financial industry, and retail industry while another representative may cover the metal fabrication industry, foundry industry, etc. Sales personnel will be provided specialized training to further develop areas of expertise. The support team will be crucial to the department's success and therefore, will be provided team building training.

Promotional activities will be developed to encourage staff to achieve Division goals. Different methods for determining goals and rewards/bonus packages will be determined as sales progress. It is very important to provide incentives for the team encouraging the team to sell and work together in the delivery of educational courses.

Prospecting

The financial history of the Economic Development Department shows that approximately 50 to 60 percent of the client base remains stable with new accounts accounting for the remaining 50 to 40 percent. Consequently, the sales team will be responsible for making 400 to 500 cold calls on area businesses during Fiscal Year 1994. Prospects will be identified through business directories, chambers of commerce existing business committees, the Heartland Technology Network referrals, the By-product and Waste Search Service program referrals, and Kirkwood department referrals.

Prospects will be informally audited to check to see if they qualify for training and retraining opportunities. During initial visits, contract training costs are explained to the company and reactions of the business are considered. After the initial visit, a follow-up call schedule will be developed to insure continued contact with the company.

Present Economic Development Services Division clients will receive regular follow-up calls to encourage additional sales. In particular, companies which receive 260E or 260F financial training assistance will be contacted on a regular basis.

Additionally, an advertising and promotional campaign will be stepped up to tout the success of the department and its clients within the community.

Communication

Customers will be attracted to the value-added product and reputation of the department's services. Kirkwood Community College continues to grow as a leader in the community and its services are becoming widely known in the business and industrial community.

Customers will be attracted by: 1)cold calls 1)follow-up sales calls, 2)targeted marketing campaigns, 3)specialized training campaigns, 4)brochure mailers, 5)publicity, and 6)advertisements.

Sales Activities

It is the goal of the Division to generate between 350 and 550 contracts per year with an average dollar value per contract of $1,600 to $2,300 or greater. Furthermore, the Division will work to diversify its clients base by increasing the percent of participation from businesses with less than 250 employees from 8 to 20 percent.

OPERATIONS

The Kirkwood Economic Development Services Division intends to operate with a lean staff of six individuals. Three sales individuals will be responsible for conducting cold calls and follow-up calls to "close" the sale on contracted training activities. Three professional support and classified personnel will then be responsible for programming contracted training activities, identifying instructors, figuring expenses and income, monitoring contract activity, completing financial and forecasting reports, managing state financial assistance applications and grants, facilitating quality training center activities, interfacing with other Kirkwood Departments, and performing secretarial tasks as necessary.

Lead Time

Critical to the success of the Economic Development Division is proper management of lead time, work in process, and delivery with a focus on quality in each phase. Forty percent of the requests received from business for contracted training programs require very tight delivery schedules while the remaining sixty percent allow more flexibility in delivery schedules.

A normal (flexible) cycle from identification of lead to actual delivery consists of three to four days for delivery of a course outline or outlines, a week to two weeks for development of the contract, and then delivery of course occurs. Tight delivery schedules require lead time of less than 48 hours and contracts to be formed within a week.

Management

Mr. Lon Olejniczak, a graduate of the University of Iowa, will serve as Director for the Economic Development Services Division. Mr. Olejniczak's educational background consisting of a Bachelors in Business Administration and Masters in Education along with his first-hand experience with running a small business makes him a director who can empathize with people in all types of positions, respond to corporate training needs, and manage a team of eight and one-half sales officers, quality facilitators, and support professionals.

Mr. Olejniczak will be responsible for the administration of the 260E financial assistance packages, general economic development activities, and management of the Division. In addition, as time permits, Mr. Olejniczak will make cold calls and follow-up calls on area business in conjunction with the sales force.

Mr. Olejniczak will work to establish teamwork in the Division and will work to effectively utilize personnel, entrust responsibility, encourage innovation, stress accountability, and evaluate results on a regular basis. He will assist personnel to understand the goals and objectives of the organization and what is expected of them in their position.

Mr. Olejniczak will work under the supervision and guidance of Kirkwood's Vice-President of Administration.

Organization

Appendix B contains a copy of the Kirkwood Economic Development Services Division's organizational chart, salary funding sources, and corresponding job

descriptions. Eight positions are outlined, five of these positions will report to and be supervised by the Director of Economic Development Services.

The Director, Lon Olejniczak, will direct the activities of the team, coordinate regional economic development activities, complete sales calls, manage 260E accounts, and evaluate personnel.

The Program Manager, Kim Werling Johnson, will assist the Director with projects as assigned; monitor, schedule, and track training contracts; monitor division quality and client satisfaction; manage the By-product and Waste Search Service Program; and serve as a back up for cold calls.

The Program/Sales Officer, John Haack, will conduct cold calls; manage the credit and contracted training activities at Iowa Electric and Life Investors; and advise students in the on-site degree program.

The Program/Sales Officer, Steve Sprague, will conduct cold calls; sell training in a broad range of areas specializing in work systems, organizational design, ISO9000, and total quality management; and perform training as required.

The Project Coordinator, Julie Hessing, will work with the Director, Program Manager, and Program/Sales Officers with projects as assigned; facilitate the coordination of training; assist with the activities of the By-Product and Waste Search Service project; and write proposals for the 260F financial assistance program.

The Office Associate, Gayle Kennedy, will perform secretarial work for the Director and related staff.

The Budget Coordinator will be created as liaison position providing functional support to the Division, however, receiving funding through other budget centers. The Budget Coordinator will be responsible for the management and processing of all paperwork, including budgetary procedures and forecasting for the Division.

The Program/Sales Officer for Hazardous Materials, Fire Training, and Safety in Kirkwood's seven county district will be created as a liaison position for the Environmental Training Center, Hazardous Materials Institute and the Economic Development Services Division receiving funding from the Environmental Training Center.

FINANCIAL DATA

Historical Financial Data

During Fiscal Year 1992, total income reached its highest peak at $1.4 Million with Fiscal Year 1991 following with $1.3 million. However, income generated during Fiscal Year 1990 and Fiscal Year 1993 appear to be closer to the norm of potential income generation in subsequent years.

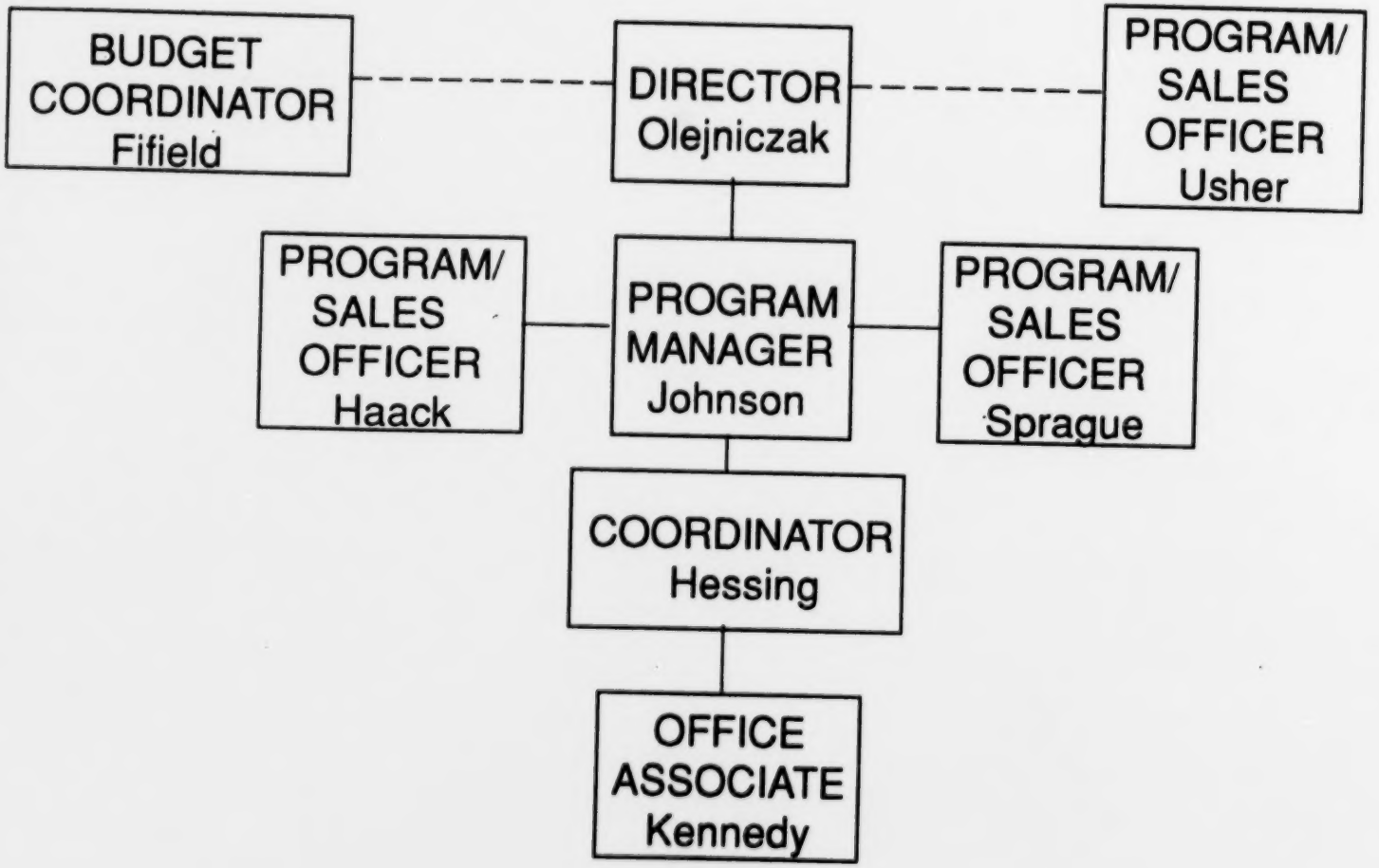
During Fiscal Year 1991 and 1992, four key businesses expended a substantial portion of the training funds with Kirkwood's Economic Development Services Division. Leadership for the unit believes that the Division will not see these expenditures by "key" businesses again in the near future for several reasons. One, the companies have received initial training and are not experiencing rapid employee turn over; two, the companies are taking a "wait and see" attitude with the presidential administration's promise of federal job training monies; and three, many plants are experiencing employee reductions.

It is important to note that since 1990, the 260E Administrative draw has decreased at a substantially greater proportion than the decrease in overhead. Consequently, the Division is running much more efficiently than it has in the past. Had the 260E draw remained comparative, the Division would be turning a profit for Fiscal Year 1993.

Prospective Financial Data

Appendix A contains the Division's proposed operating budget for the next four years including projected sales and expenses. During Fiscal Year 1994 an estimated income of $658 thousand will be necessary to breakeven. The Division will strive to reach a 5 percent growth rate in income each year, projecting a $719 thousand dollars in income by Fiscal Year 1997. These estimates are conservative. If the economy turns around and federal monies do become available for training, it is entirely possible that revenue projections could increase.

ECONOMIC DEVELOPMENT SERVICES DIVISION



ECONOMIC DEVELOPMENT SERVICES DIVISION
DIRECTOR
LON OLEJNICZAK

JOB SUMMARY:
Under limited direction, the Director will be responsible for direction, development, promotion, implementation, supervision, and evaluation of the activities for the Economic Development Services Division. The Director will become a principal player in the area's economic development activities and will work to establish and foster relationships with regional business and industry.

RESPONSIBILITIES:

1. Conceptualize, develop, promote, implement, supervise and evaluate contracted training programs, courses, seminars, and workshops provided to regional business and industry.
2. Be actively involved with business, industry, chambers of commerce, county and economic development organizations.
3. Network with community college economic developers and appropriate Iowa Department of Economic Development staff.
4. Attend economic development and contracted training functions.
5. Supervise division staff.
6. Provide vision and direction to insure that divisional goals and objectives are met.
7. Work to establish and foster relationships with regional business and industry through sales calls.
8. Explain financial job training assistance packages available to business and industry. Assess company's ability to follow-through with job training application completion.
9. Guide the professional development of client company training specialists to increase training effectiveness and to build long-range training plans.
10. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
PROGRAM MANAGER
KIM WERLING JOHNSON

JOB SUMMARY:
The Economic Development Services Division's Program Manager is responsible for providing a broad range of support services to the Division and the region's businesses and industries. This individual is responsible for managing the Eastern Iowa By-product and Waste Search Program, programming and facilitating contracted training activities, and maintaining the Division's data base of company contacts, training offerings, and instruction provided.

RESPONSIBILITIES:

1. Work closely with the Sales Officers and the Quality Facilitators to insure training programs are sold and delivered.
2. Assist the Economic Development Services Division Director with projects as assigned.
3. Monitor program quality related to delivery, content, and customer satisfaction.
4. Identify and purchase appropriate training materials.
5. Design and reserve effective training facilities for clients.
6. Register students enrolled in training programs and insure evaluation of training effectiveness.
7. Assist in the recruitment and orientation of full-time and part-time faculty to deliver training programs.
8. Promote positive interaction among all areas of the College.
9. Manage multiple budget centers for training programs.
10. Manage the Eastern Iowa By-product and Waste Search Service Program and insure that program goals and objectives are achieved.
11. Establish and maintain continuing client relationships with business and industry related to training activities and the Waste Search Service Program.
12. Organize workshops, seminars, and meetings as appropriate for the Economic Development Services Division and the Waste Search Service Program.
13. Develop, manage, and maintain a comprehensive data base to track sales calls, contracts, instruction, and program effectiveness.
14. Perform writing and editing duties as required to support the activities of the Economic Development Services Division, grant applications, and the Waste Search Service Program.
15. Serve on the Cedar Rapids Chamber Existing Business Committee.
16. Attend community, regional and state economic development and waste exchange meetings as appropriate.
17. Perform other duties as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
PROGRAM/SALES OFFICERS
STEVE SPRAGUE

JOB SUMMARY:
The Economic Development Services Sales Officer is Kirkwood's primary representative to the region's business and industry. The Economic Development Services Sales Officer identifies the client company's training needs and coordinates Kirkwood's delivery of instruction to meet those needs. The Economic Development Services Sales Officer maintains a continuing relationship with the client company in order to better serve the client and the College. Areas of expertise will consist of work system design, organizational design, ISO9000, and Total Quality Management instructional delivery.

RESPONSIBILITIES:

1. Establish and maintain continuing client relationships with business and industry and build client loyalty to the College.
2. Conduct 200 to 250 cold calls with area business and industry per year.
3. Maintain call reports and conduct timely follow-up with business and industry contacts.
4. Introduce clients to contemporary business management methods.
5. Advise company on training expenditures.
6. Coordinate curriculum development for programs and recommend non-traditional delivery systems related to work systems, organizational design, ISO9000, and Total Quality Management.
7. Identify appropriate training materials.
8. Generate income for the College.
9. Guide the professional development of client company training specialists to increase training effectiveness and to build long-range training plans.
10. Present and sell training proposals.
11. Organize, lead and coordinate custom instructional teams.
12. Grasp opportunities for innovation by the College.
13. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
PROGRAM/SALES OFFICERS
JOHN HAACK

JOB SUMMARY:
The Economic Development Services Sales Officer is Kirkwood's primary representative to the region's business and industry. The Economic Development Services Sales Officer identifies the client company's training needs and coordinates Kirkwood's delivery of instruction to meet those needs. The Economic Development Services Sales Officer maintains a continuing relationship with the client company in order to better serve the client and the College. This Officer is responsible for coordination, supervision, evaluation and development of engineering, vocational & arts & sciences programming for Iowa Electric and Life Investor employees through on-site degree programs.

RESPONSIBILITIES:
1. Establish and maintain continuing client relationships with business and industry and build client loyalty to the College.
2. Conduct 200 to 250 cold calls with area business and industry per year.
3. Maintain call reports and conduct timely follow-up with business and industry contacts.
4. Introduce clients to contemporary business management methods.
5. Advise company on training expenditures.
6. Coordinate curriculum development for programs and recommend non-traditional delivery systems
7. Serve as liaison between Kirkwood Community College and Iowa Electric/Aegon in the coordination of coursework and programs.
8. Advise students in the on-site degree program.
9. Identify appropriate training materials.
10. Generate income for the College.
11. Guide the professional development of client company training specialists to increase training effectiveness and to build long-range training plans.
12. Present and sell training proposals.
13. Organize, lead and coordinate custom instructional teams.
14. Grasp opportunities for innovation by the College.
15. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
COORDINATOR
JULIE HESSING

JOB SUMMARY:
The Economic Development Services Division Coordinator provides primary support to the Economic Development Services Division Sales Officers, Quality Facilitator, and Program Manager. This individual will serve as the liaison with Kirkwood's regional business and industry and the Economic Development Services Staff in the area of contractual agreements, instructional delivery, and waste exchange.

RESPONSIBILITIES:
1. Write proposals for the 260F financial assistance applications.
2. Coordinate curriculum development for programs.
3. Purchase appropriate training materials and reserve effective training facilities.
4. Register students enrolled in training programs and insure evaluation of training effectiveness.
5. Maintain continuing client relationships with business and industry and build client loyalty to the College.
6. Troubleshoot any problems associated with a training contract and monitor program quality related to delivery, content, and customer satisfaction.
7. Work closely with the Sales Officers and Program Manager to insure training programs are sold and delivered. In particular, coordinate activities and training delivered through the Program/Sales Officer for the Environmental Training Center.
8. Purchase appropriate training materials.
9. Recruit and orient full-time and part-time trainers for the delivery of contracted training programs.
10. Work with Waste Search Service Program clients and facilitate product exchanges.
11. Work with Budget Coordinator to oversee and assist in paper flow with Community Education programmers.
12. Serve on Cedar Rapids Existing Business Committee.
13. Maintain the curriculum file and library materials data bases.
14. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
OFFICE ASSOCIATE
GAYLE KENNEDY

JOB SUMMARY:

Under general supervision, performs secretarial work at the first line administrative supervisory levels such as composing routine correspondence, other typing assignments, maintaining records, and obtaining and providing factual information requiring a knowledge of policies and procedures of both assigned and related work areas. A degree of independent judgment is exercised at this level.

RESPONSIBILITIES:

1. Act as a receptionist, answer telephone and take messages.
2. Type contracts, certificates, correspondence, instructional materials, fliers, mailing labels, and workshop composites.
3. Input company contact information in call report data base.
4. Maintain current and accurate filing system.
5. Mail program brochures.
6. Update computer mailing list.
7. Provide support for eight and one-half professionals.
8. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
BUDGET COORDINATOR
(Business Services Department)
TRICIA FIFIELD

JOB SUMMARY:
The Economic Development Services Division Budget Coordinator is responsible for the management and processing of all paperwork, including budgetary procedures and forecasting for the Economic Development Services Division. The Budget Coordinator will also be responsible for data base information management including preparation of all monthly, quarterly and annual financial reports, and design and implementation of other reports as necessary.

RESPONSIBILITIES:

1. Accurately prepare and/or process accounts payable, accounts receivable, payroll and other related budgetary paperwork necessary for training contracts, including responsibility for insuring budgets are updated as necessary.
2. Perform financial analysis and forecasting for the Division and apprise the Director and other appropriate College personnel.
3. Input and maintain database files on all center training activities.
4. Prepare and balance monthly activity, company, trainer and training officer reports.
5. Maintain client database and prepare informational reports as necessary from client data base.
6. Maintain all Division, Heartland Technology Network, By-product and Waste Search Service, and Rural Telecommunications budgets to ensure smooth flow of paperwork.
7. Upgrade and improve the computer programs needed to meet the changed financial reporting needs of the Division.
8. Promote positive interaction among all areas of the College.
9. Work with coordination to ease flow of paperwork for Community Education programmers.
10. Create and maintain individual company budgets.
11. Manage all contracted training financial activities dealing with Community Education and the Environmental Training Center.
12. Work with Program Manager and/or Coordinator to insure consistant profit margins are maintained on all training activities.
13. Perform other associated responsibilities as assigned.

ECONOMIC DEVELOPMENT SERVICES DIVISION
PROGRAM/SALES OFFICERS
(Environmental Training Center)
JIM USHER

JOB SUMMARY:
The Economic Development Services Sales Officer is Kirkwood's primary representative to the region's business and industry. The Economic Development Services Sales Officer identifies the client company's training needs and coordinates Kirkwood's delivery of instruction to meet those needs. The Economic Development Services Sales Officer maintains a continuing relationship with the client company in order to better serve the client and the College. This Officer is responsible for the delivery of training related to hazardous materials and fire safety.

RESPONSIBILITIES:
1. Establish and maintain continuing client relationships with business and industry and build client loyalty to the College.
2. Conduct 200 to 250 cold calls with area business and industry per year.
3. Maintain call reports and conduct timely follow-up with business and industry contacts.
4. Introduce clients to contemporary business management methods.
5. Advise company on training expenditures.
6. Coordinate curriculum development for programs and recommend non-traditionally delivery systems
7. Provide assistance to business and industry in understanding and meeting the various OSHA and EPA standards for safety in the workplace.
8. Provide technical assistance and training in the area of proper handling and disposal of hazardous waste and compliance with air pollution standards.
9. Complete on-site inspections as required for area business and industry.
10. Generate income for the College.
11. Guide the professional development of client company training specialists to increase training effectiveness and to build long-range training plans.
12. Present and sell training proposals.
13. Organize, lead and coordinate custom instructional teams.
14. Grasp opportunities for innovation by the College.
15. Perform other associated responsibilities as assigned.